

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUENOS 01734 161912Z

55

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03

CIEP-01 LAB-04 SIL-01 OMB-01 /084 W

----- 035384

R 161827Z MAR 76

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 4854

LIMITED OFFICIAL USE BUENOS AIRES 1734

E.O. 11652: N/A

TAGS: EGEN, AR

SUBJECT: ALVARO ALSOGARAY COMMENTS ON ECONOMIC/POLITICAL SITUATION

1. MARCH 11, ALVARO ALSOGARAY, FORMER ECONOMY MINISTER UNDER PRESIDENT ARTURO FRONZIZI, ISSUED PRESS RELEASE COMMENTING ON CURRENT ECONOMIC/POLITICAL AUTHORITY TO DEAL SUCCESSFULLY WITH CRISIS FACING COUNTRY. - - - CURRENT ECONOMIC CHAOS RESULT OF ECONOMIC PROGRAMS IMPLEMENTED IN NAME OF "ORTHODOX PERONISM". THESE, MORE-OVER, REPRESENT CULMINATION STATIST-INFLATIONARY POLICIES EXERCISED OVER LAST 30 YEARS.
- - - TO REQUEST SACRIFICE AND COOPERATION FOR POLICIES THAT HAVE FAILED, TO GAIN TIME TO ONCE MORE APPLY THESE SAME POLICIES, IS TOTALLY UNACCEPTABLE.
- - - MINISTER MONDELLI'S "PLAN" IS RECESSIVE AND CONTRACTIVE BECAUSE OLD PERONIST MYTHS, SLOGANS, AND SUPERSTITIONS PREVENT COUNTRY FROM USING EXPANSIVE ECONOMIC FORCES AT ITS DISPOSITION.
- - - IF MONDELLI'S PLAN IMPLEMENTED, COUNTRY IN SHORT ORDER WOULD EXPERIENCE WORST RECESSION AND UNEMPLOYMENT SINCE 1930. IF CURRENT PACE MONETARY MISSION CONTINUES, RESULT WILL BE UNLIMITED HYPERINFLATION, PARALYZING LIFE OF COUNTRY.
- - - ACCUMULATED ERRORS SO GRAVE THAT ECONOMIC CRISIS INEVITABLE. EVEN IF CORRECT POLICIES INITIATED TODAY, IT WOULD STILL BE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUENOS 01734 161912Z

TOO LATE TO AVOID HYPERINFLATION, RECESSION AND UNEMPLOYMENT.

- - - MOST DRAMATIC POINT IS THAT LEADERS COMPLETELY FAIL
RECOGNIZE CATASTROPHE TOWARD WHICH ARGENTINA HEADING.
- - - STAGE OF ECONOMIC CHAOS HAS ENDED. NOW STAGE OF SOCIAL
UPHEAVAL AND POLITICAL CHANGE BEGINS.

2. COMMENT: ALSOGARAY WELL KNOWN FOR HIS ABILITY TO CORRECTLY
PREDICT ECONOMIC AND POLITICAL CHANGE.FACT THAT HE ISSUED THIS
PRESS RELEASE AT THIS TIME SHOULD BE CAREFULLY NOTED.
HILL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, PERSONAL OPINION, POLITICAL SITUATION, PRESS RELEASES
Control Number: n/a
Copy: SINGLE
Draft Date: 16 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BUENOS01734
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760099-1038
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760358/aaaabyoa.tel
Line Count: 70
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 19 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 JUL 2004 by KelleyW0>; APPROVED <22 OCT 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ALVARO ALSOGARAY COMMENTS ON ECONOMI/POLITICAL SITUATION
TAGS: EGEN, AR, (ALSOGARAY, ALVARO)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006